



Loan Forgiveness Programs for Accelerated Integrated JD-MBA Students



The Yale Law School and School of Management have different financial aid policies and loan forgiveness provisions. This document briefly describes how the loan forgiveness programs will work for students who complete the 3-year accelerated integrated JD-MBA program.

COAP Award Calculation for AI Students

The traditional COAP award calculation for students in the AI JD-MBA program will be modified in the following way in order to compensate for a lesser total Law loan debt based on two years of actual YLS enrollment (in lieu of the traditional three years of JD Law debt) :

The COAP eligible loan balance will be based on:

- 1) Actual 1L year COAP eligible loans
- 2) A calculated year of COAP eligible loans for the 2L year
- 3) Actual 3L year COAP eligible loans

This loan balance will then be used to calculate an annual loan repayment based on the traditional COAP 15 year repayment for years 1-5 of COAP and the 5 year repayment for years 6-10 of COAP. The stated participant contribution (based on COAP adjusted income) will be applied to the annual loan repayment amount to derive the YLS COAP payout. *To account for the fact that the AI JD-MBA participant’s actual attendance and borrowing for law school was only for 4 terms (or 2/3rds of the traditional JD attendance and borrowing), the YLS COAP payout will be adjusted accordingly by 2/3rds in determining a total COAP award.*

To derive the calculated 2L year of COAP eligible loans, students in the AI JD-MBA program will need to submit a Financial Aid Application and Scholarship Tool (FAAST) aid application to YLS for their 2L academic year even though they will be attending SOM in that year. Students should follow the stated YLS instructions and deadlines in submitting this application. Submission of the application is solely for the purpose of calculating a second year of imputed loan debt for COAP and not for the awarding of any other aid.

All other terms and conditions of the COAP program (including but not limited to overall eligibility, participant contribution formula, income adjustments, eligible loans, etc.) remain the same for AI JD-MBA students. This policy only applies to YLS Accelerated Integrated JD-MBA students and not to any other joint degree programs.

SOM Loan Forgiveness Award Calculation for AI Students

The MBA program will offer financial assistance in the form of a merit-based scholarship that will attempt to match the total dollar contribution required by the student if s/he continued with his/her 2L studies, the debt load taken on by him/her during his/her 2L/MBA year at SOM will be similar to his/her 1L year. Since this will be approximately 1/3 of the total debt load of the joint degree student, no changes will be made to the loan forgiveness award calculations or student contribution rates.

Programmatic Differences between YLS’ COAP and SOM’s Loan Forgiveness Programs

In both programs, the graduate is responsible for making all loan repayments and complying with all requirements imposed by lenders and collection entities. A graduate must be in good standing with both the School and the lender at all times. Failure to remain in good standing with the lender and with the School will result in termination of eligibility for the COAP/SOM Loan Forgiveness program.

	Law Career Options Assistance Program	SOM Loan Forgiveness Program
Employment Eligibility	No restriction on type of employment Self-employment on case-by-case basis Part-time employment provisions* Non-US employment allowed Parental leave: up to 6 months with full coverage Unemployment support- up to 3 months	Limited to public service, L3Cs, B-Corporations Self-employment not allowed Part-time employment provisions* Non-US employment allowed Parental leave: up to 3 months with full coverage



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	Law Career Options Assistance Program	SOM Loan Forgiveness Program
Loan Eligibility	Need-based unit loans Additional loan borrowing to support Parent Contribution Covers up to \$30K in need-based undergraduate debt Bar loans and loans from previous law schools covered* Private Bar Loans up to \$10,000 maximum YLS approved loans for computer/technology purchases, childcare costs and professional clothing	Need-based loans up to maximum of tuition and fees AND an annual, per person cap of \$10,100 Does not include EFC replacement loans
Income Eligibility and Adjustments	For students admitted post 9/1/2011 – Below \$50,000 income threshold- loan payments are fully supported by COAP. Above the threshold, a progressive income schedule is used to determine both COAP and student contributions Household income used with a \$40,000 allowance protected from spouse's income \$8,000 allowance/dependent + care allowance* Asset shelter as well, but cash, savings and investments included in contribution calculation Spouse education loan payments deducted from household income	Adjusted periodically, currently \$85,300 for full support and prorated up to \$119,000 Household cap of \$119,000. Married students assessed at the higher of their individual income or the household income divided in half. \$5,000 allowance/dependent Household interest and dividend income included; other assets not included
Award Calculation	For the first 5 years following graduation, repayment amount based on a 15-year straight line repayment. For the second 5 years, it is based on a 5-year straight line repayment	Repayment amount based on a 10-year straight-line repayment schedule.
Other Post-Graduation Loan Assistance	Graduates who are eligible for post-graduation loan repayment assistance from sources other than the Law School are expected to apply for such benefits. COAP awards will be reduced by the amount of the assistance for which the graduate is eligible	Not included

*More provisions exist. Please contact financialaid.law@yale.edu or somfinancialaid@yale.edu for more details.

Example A

Joint degree graduate takes a job upon graduation at the Department of Justice making \$64,000/year. Graduate is single with no other income. Graduate received \$45,000 and \$55,000 in need-based loans in his 1L and 3L years respectively. His calculated 2L loan debt would have been \$50,000. Graduate took out \$40,000 to attend SOM during his 2L/MBA year.

	Law Career Options Assistance Program	SOM Loan Forgiveness Program
Eligible Employment?	Yes	Yes (government)
Loan Eligibility	\$45,000 (1L actual)+\$55,000 (3L actual)+ \$50,000 (2L imputed) = \$150,000	\$40,000 taken during SOM attendance
Income Eligibility and Adjustments	Based on \$64,000 income Student contribution rate = 15% of income over \$50,000 = \$2,100	Based on \$64,000 income Student contribution rate = 0%
Award Calculation	Calculation of loan repayment at 15-year repayment schedule (Years 1-5 of COAP) \$150,000 debt at average of 7.5% interest = \$16,686 COAP repayment. \$16,686- \$2,100 student contribution = \$14,586 YLS contribution \$14,586 - \$4,813 (33% adjustment) = \$9,773 adjusted COAP award	Calculation of loan repayment at 10-year repayment schedule \$40,000 debt at average of 7.5% interest = \$5,698 annual repayment.
	Year 1 – 5 annual repayment across both programs = \$9,773 + \$5,698 = \$15,471	